

INSURANCE REGULATORY TRUST FUND
INVESTMENT PERFORMANCE REPORT AS OF SEPTEMBER 30, 2004

	September-04					August-04				July-04				Current	Prior Year	3 Years	5 Years
	Allocation		Policy	Quarter Net ROR	Month Net ROR	Allocation		Policy	Month Net ROR	Allocation		Policy	Month Net ROR	FYTD	FY04	Ended 6/30/2004 Net	Ended 6/30/2004 Net
	Market Value	Actual				Market Value	Actual			Market Value	Actual						
LARGE CAP DOMESTIC EQUITY																	
<i>Structured Growth</i>																	
Los Angeles Capital	38,987	1.4%	1.5%	-4.14%	1.34%	38,467	1.4%	1.5%	-0.39%	38,635	1.5%	1.5%	-5.03%	-4.14%	N/A	N/A	N/A
Total Structured Growth	38,987	1.4%	1.5%	-4.14%	1.34%	38,467	1.4%	1.5%	-0.39%	38,635	1.5%	1.5%	-5.03%	-4.14%	17.58%	-6.28%	-7.85%
Russell 1000 Growth				-5.23%	0.95%				-0.49%				-5.65%	-5.23%	17.88%	-3.74%	-6.48%
<i>Structured Value</i>																	
LSV	42,516	1.6%	1.5%	3.21%	3.01%	41,262	1.5%	1.5%	1.42%	40,674	1.5%	1.5%	-1.21%	3.21%	30.56%	9.33%	8.36%
Russell 1000 Value				1.54%	1.55%				1.42%				-1.41%	1.54%	21.13%	2.96%	1.87%
<i>Russell 1000 Enhanced Index</i>																	
LA Capital	83,054	3.1%	3.0%	-1.68%	1.72%	81,636	3.1%	3.0%	0.22%	81,496	3.1%	3.0%	-3.56%	-1.68%	N/A	N/A	N/A
Russell 1000				-1.81%	1.26%				0.49%				-3.51%	-1.81%	N/A	N/A	N/A
<i>S&P 500 Enhanced Index</i>																	
Westridge	80,702	3.0%	3.0%	-1.99%	0.93%	79,810	3.0%	3.0%	0.43%	79,509	3.0%	3.0%	-3.30%	-1.99%	N/A	N/A	N/A
S&P 500				-1.87%	1.08%				0.40%				-3.31%	-1.87%	N/A	N/A	N/A
<i>Index</i>																	
State Street	24,291			-1.88%	1.08%	24,032			0.41%	23,939			-3.32%	-1.88%	19.01%	-0.75%	-2.28%
Total Index	24,291	0.9%	1.0%	-1.88%	1.08%	24,032	0.9%	1.0%	0.41%	23,939	0.9%	1.0%	-3.32%	-1.88%	19.01%	-0.75%	-2.28%
S&P 500				-1.87%	1.08%				0.40%				-3.31%	-1.87%	19.11%	-0.70%	-2.21%
TOTAL LARGE CAP DOMESTIC EQUITY	269,551	10.0%	10.0%	-1.42%	1.57%	265,207	9.9%	10.0%	0.39%	264,253	9.9%	10.0%	-3.33%	-1.42%	21.46%	0.15%	-1.39%
S&P 500				-1.87%	1.08%				0.40%				-3.31%	-1.87%	19.11%	-0.70%	-2.21%
SMALL CAP DOMESTIC EQUITY																	
<i>Manager-of-Managers</i>																	
SEI	134,177	5.0%	5.0%	-3.60%	5.35%	127,123	4.8%	5.0%	-1.26%	128,789	4.8%	5.0%	-7.32%	-3.60%	32.99%	5.51%	N/A
Russell 2000 + 200bp				-2.36%	4.86%				-0.35%				-6.57%	-2.36%	35.99%	7.90%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	134,177	5.0%	5.0%	-3.60%	5.35%	127,123	4.8%	5.0%	-1.26%	128,789	4.8%	5.0%	-7.32%	-3.60%	32.99%	5.54%	7.29%
Russell 2000				-2.86%	4.69%				-0.51%				-6.73%	-2.86%	33.36%	6.24%	6.63%
CONVERTIBLES																	
TCW	263,238	9.8%	10.0%	-4.35%	1.31%	259,758	9.7%	10.0%	-0.54%	261,435	9.8%	10.0%	-5.08%	-4.35%	17.50%	1.03%	3.90%
First Boston Convertible Index				-1.05%	1.78%				-0.30%				-2.49%	-1.05%	14.16%	4.89%	5.75%
INTERNATIONAL EQUITY																	
<i>Large Cap - Active</i>																	
Capital Guardian	209,486	7.8%	8.0%	-1.77%	1.41%	204,217	7.6%	8.0%	0.34%	203,798	7.7%	8.0%	-3.47%	-1.77%	25.36%	-0.39%	0.54%
MSCI EAFE - 50% Hedged				-0.72%	2.02%				0.12%				-2.80%	-0.72%	26.98%	-1.27%	-2.14%
<i>Small Cap - Value</i>																	
Lazard	28,144	1.0%	1.0%	0.29%	2.98%	28,462	1.1%	1.0%	0.47%	28,379	1.1%	1.0%	-3.07%	0.29%	43.30%	N/A	N/A
Citigroup Broad Market Index < \$2BN				-0.82%	2.50%				1.00%				-4.20%	-0.82%	47.95%	N/A	N/A
<i>Small Cap - Growth</i>																	
Vanguard	26,738	1.0%	1.0%	0.49%	2.58%	27,215	1.0%	1.0%	0.81%	26,980	1.0%	1.0%	-2.82%	0.49%	44.68%	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				-0.82%	2.50%				1.00%				-4.20%	-0.82%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	264,369	9.8%	10.0%	-1.31%	1.69%	259,894	9.7%	10.0%	0.41%	259,157	9.7%	10.0%	-3.35%	-1.31%	29.16%	1.02%	1.39%
MSCI EAFE - 50% Hedged				-0.72%	2.02%				0.12%				-2.80%	-0.72%	26.98%	-1.27%	-2.14%
DOMESTIC FIXED INCOME																	
<i>Core Bond</i>																	
Western Asset	293,191	10.9%	10.0%	3.52%	0.25%	289,706	10.8%	10.0%	2.03%	284,053	10.7%	10.0%	1.20%	3.52%	2.42%	7.77%	8.10%
Lehman Aggregate				3.20%	0.27%				1.91%				0.99%	3.20%	0.32%	6.35%	6.95%
<i>Index</i>																	
Bank of ND	368,964	13.7%	15.0%	2.54%	0.16%	372,591	13.9%	15.0%	1.61%	366,666	13.8%	15.0%	0.77%	2.54%	0.07%	7.10%	7.25%
Lehman Intermediate Gov/Credit (1)				2.71%	0.17%				1.67%				0.84%	2.71%	-0.05%	6.97%	7.25%
<i>BBB Average Quality</i>																	
Strong	164,376	6.1%	5.0%	4.51%	0.70%	161,676	6.0%	5.0%	2.40%	157,851	5.9%	5.0%	1.35%	4.51%	1.18%	N/A	N/A
Lehman US Credit BAA				4.76%	0.75%				2.55%				1.40%	4.76%	1.96%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	826,531	30.6%	30.0%	3.27%	0.30%	823,972	30.8%	30.0%	1.91%	808,570	30.4%	30.0%	1.03%	3.27%	0.79%	7.00%	7.45%
Lehman Gov/Credit				3.56%	0.35%				2.12%				1.06%	3.56%	-0.72%	6.73%	7.10%
CASH EQUIVALENTS																	
Bank of ND	938,870	34.8%	35.0%	0.44%	0.15%	937,431	35.1%	35.0%	0.15%	936,170	35.2%	35.0%	0.14%	0.44%	1.20%	1.72%	3.39%
90 Day T-Bill				0.37%	0.13%				0.12%				0.12%	0.37%	0.98%	1.71%	3.30%
TOTAL INSURANCE REGULATORY TRUST	2,696,736	100.0%	100.0%	0.17%	0.88%	2,673,386	100.0%	100.0%	0.47%	2,658,373	100.0%	100.0%	-1.17%	0.17%	9.62%	4.68%	5.21%
POLICY TARGET BENCHMARK				0.70%	0.87%				0.68%				-0.84%	0.70%	7.45%	3.56%	4.12%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to April 1, 2004, the benchmark was the LB Govt/Credit index.